

February 3, 1964

M E M O R A N D U M

Re: CARBON PLANT WATER SUPPLY

The following are the sources of water for the Carbon Plant at Castlegate, Utah, with appropriate comments as to the manner and period of use:

1. Change Certificate No. A-289 for 3.5 cubic feet per second or an approximate 7.0 acre feet of water per day. This water right is a part of Certificate No. 2080 as issued to the Carbon Canal Company and is to be used as a direct diversion from Price River when available during the period from October 1 of one year to March 31 of the following year. By agreement with the Carbon Canal Company, we have agreed to use this water in preference to that of any other right if and when the same is available, with the exception that the Denver & Rio Grande right is first used when Unit No. 1 at the Carbon plant is the only unit in operation.
2. Certificate No. 5551, based upon Application No. 28351, for 10.0 second feet of the direct flow of the Price River during the period from October 1 of one year to April 1 of the following year. This right has a late priority and during the last several years has probably not been available. Also, and by reason of our agreement with the Carbon Canal Company and our lease arrangement with the Denver & Rio Grande Western Railroad Company, the water under Certificate No. 5551 is available only after the use is made under both of the other rights.
3. The Morse Decree dated December 18, 1902, awards to the Denver & Rio Grande Western Railroad Company first class rights to irrigate 40 acres through the Spring Glen Canal and 5 acres through the Pratt East Ditch; and this decree provides a period of use from March 1 to November 30 of each year. The Supplemental Decree dated May 6, 1910, establishes a duty of water of one cubic foot to each sixty acres. This right is a part of our lease agreement and entitles us to 0.75 of a second foot, or the equivalent of 1.5 acre feet a day, during this designated period.
4. Change Certificate No. A-288 for 1.83 second feet of water, or 3.66 acre feet per day, of first class water as awarded by the Morse Decree, and 0.50 of a second foot, or 1.0 acre foot per day, of second class water as awarded by said decree. This

right is usable during the irrigation season from March 1 to November 30 of each year.

5. The Lease Agreement with the Denver and Rio Grande Western Railroad also includes four decreed rights for year around use. These rights are a first class one for 1.00 second foot, a second class for 0.50 of a second foot, and a third and fourth class right each for 0.24 of a second foot. These total 1.98 second feet or the equivalent of 3.96 acre feet per day. The Railroad reserves for its own use from these rights 5,000 gallons per day, or 0.0078 of a second foot, but when computations are made in second feet or in acre feet, this amount is immeasurable.

6. Change Certificates Nos. A-364 and A-365 in the name of Price River Water Users Association provide for 2,000 acre feet of Scofield Reservoir storage water dedicated for use at the Carbon plant. This water is available at any time but is considered as the water supply last to be used.

7. In addition, the water from two wells near Colton is available for use; but during the past years this water right has been used for municipal purposes by the cities of Price or Helper or both on an exchange basis because of the better quality of this well water.

Change Certificate No. A-289 is the water secured from Carbon Canal Company and by agreement requires the payment of \$4.00 for each acre foot used; and when our No. 2 unit is operating we must pay for a minimum of 3.5 second feet of water, whether used or not, provided only that such an amount is available for use. In addition, we pay an annual assessment to the Canal Company of about \$400.00.

The Scofield Reservoir storage water has been purchased as shares in the Price River Water Users Association but we must pay annually our proportionate share of operation and maintenance. This amount is an approximate \$400.00 per year.

The Denver & Rio Grande Western Railroad lease requires an annual payment of \$25.00. This lease is automatically renewable each year but can be terminated by the Railroad Company on 30 days notice and cannot be renewed after December 31, 1976.

The other rights require no annual payment other than our proportionate share of the Utah State Engineer's annual cost of his distribution system on the Price River.

The following table lists each right in its order of priority and shows the period of use and the amount in acre feet for each day. The Colton Wells are not included in this table. Generally the priority of the right determines the order of use, first priorities being used first; and such must be true on the Price River except for the necessary modification created by our contract with Carbon Canal Company.

<u>Priority by Number</u>	<u>Name of Right</u>	<u>Period of Use</u>	<u>Amount in Acre Feet Per Day</u>
1	D.& R.G. irrigation right	Mar. 1 to Nov. 30	1.5
1	D.& R.G. first class right	Jan. 1 to Dec. 31	2.0
1	Change Cert. No. A-288 first class right	Mar. 1 to Nov. 30	3.66
2	D.& R.G. second class right	Jan.1 to Dec. 31	1.0
3	D.& R.G. third class right	Jan.1 to Dec. 31	0.48
4	D.& R.G. fourth class right	Jan.1 to Dec. 31	0.48
5	Change Cert. No. A-289	Oct. 1 to Mar. 31	7.0
6	Change Certificates Nos. A-364 and A-365	Jan. 1 to Dec. 31	2,000.0 acre feet annually
7	Cert. No. 5551	Oct. 1 to Apr. 1	20.0